



# Focus

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## **New Sources of Air Pollutants New Source Review Requirements and Fees**

*Fees Begin December 1994*

### **Introduction**

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New industrial and commercial sources of air emissions are required to undergo a new source review and install best available control technology (BACT) to limit or reduce air emissions unless the new source is one of those defined to be so small as to not require this review. A list of those small (de minimis) sources and modifications can be found in the rule at WAC 173-400-110(4) and (5).

The Washington Clean Air Act authorizes Ecology to assess and collect fees to cover the costs of reviewing new industrial or commercial sources of air pollution under its jurisdiction. In August 1994, Ecology adopted rules (see Washington Administrative Code (WAC) 173-400-116), which define fee levels for new source review activities.

### **What is a new source?**

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A new source is defined as "the construction or modification of a stationary source that increases the amount of any air contaminant emitted by such source or that results in the emission of any contaminant not previously emitted" (see statute RCW 70.94.030(16)). Ecology has review and approval authority for the construction of new sources or modifications to existing sources of air pollution.

### **Who is required to pay a new source review fee?**

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Persons submitting a notice of construction application to Ecology will be required to pay a new source review fee. Ecology is responsible for new source review in counties not covered by a local air pollution control authorities, at the Hanford Nuclear Reservation, at aluminum smelters, and at pulp mills.

Many local air pollution control authorities have established new source review fees. Sources under the jurisdiction of a local air pollution control authority are not subject to an Ecology review or fee except when one of the following is required:

- a Prevention of Significant Deterioration review;
- a Second Tier Toxics Analysis; or
- a Risk Management Decision.

(See the definitions on the next page.)



## **What are new source review requirements?**

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A person proposing to construct a new source of air emissions or modify an existing source may be required to submit a notice of construction application to Ecology and undergo a new source review (see WAC 173-400-110). Ecology will evaluate each proposed new source under its jurisdiction to determine that federal and state air quality requirements are met. The application must include a description of the new or modified source, the types of equipment used that will generate air pollution, the types and amounts of air pollutants released into the air, and proposed methods for air pollution control or prevention, called “best available control technology (BACT).”

## **What is the fee for the new source review?**

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Fee amounts for individual sources vary depending upon source complexity, the types and amount of anticipated emissions, and required reviews. New source review activities and fees are determined as follows:

**Basic Notice of Construction Application Review:** Ecology will provide assistance to an applicant to prepare a notice of construction application and will conduct a basic review of the notice of construction application. The basic review includes reviewing the application for completeness, determining that the applicant has applied BACT, preparing an approval order, and in some cases, presenting the proposed project and approval order for public review. Basic review fees range from \$1,000 to \$15,000 depending upon source complexity.

**Additional Review Activities:** Depending upon the source complexity and type and amount of emissions anticipated, an applicant may be required to submit information and undergo one or more of the following review processes:

- **Prevention of Significant Deterioration (PSD):** Major sources (generally those emitting 100 tons/year or more of a regulated pollutant; amounts vary for modifications) are required to undergo PSD review and approval. This process is designed to prevent degradation of air quality in areas of the state that are complying with ambient air quality standards, while maintaining a margin for future industrial growth that will not violate ambient standards. The fee for Ecology’s PSD review is \$10,000.
- **Lowest Achievable Emission Rates (LAER):** New sources are required to undergo this review if their proposed emissions will exceed 100 tons per year and they are located within areas where ambient air quality standards are being violated (nonattainment areas). New sources required to comply with LAER must use the very best control options available for limiting their emissions. The fee for Ecology’s LAER review is \$10,000.
- **Second Tier Analysis:** In some cases, emissions may exceed health standards after application of BACT. Ecology will then review remaining emissions to determine if additional reductions are needed. The owner or operator of the proposed source may provide information that demonstrates that risk exposures from remaining toxic air pollutant emissions will be sufficiently low to protect human health (See WAC 173-460-090). Ecology will review the information and decide if the project should proceed or not. The fee for Ecology’s review of a second tier analysis is \$7,500.

- **Risk Management Decision:** A risk management decision is the process of evaluating all waste streams (air emissions, water discharges, etc.) to determine if a proposed project will result in a greater benefit to the environment as a whole. If so, Ecology may then approve a project even though its toxic air emissions exceed established criteria (See WAC 173-460-100). The fee for Ecology's risk management decision is \$5,000.
- **SEPA Review:** If Ecology is the lead State Environmental Policy Act (SEPA) agency, Ecology will review or prepare the determination of nonsignificance (DNS) and environmental checklist or environmental impact statement (EIS). The fee is \$200 for the DNS and checklist review/preparation or \$2,000 for the EIS review/preparation.

**Standardized Fees:** Ecology has determined that the review and approval of certain types of new sources is standard. The fee for the new source review is \$200 for the following categories: dry cleaners, gasoline stations, above ground and underground storage tanks less than 20,000 gallons capacity, chrome acid plating and anodizing, solvent metal cleaners, abrasive blasting, and certain small emission units considered insignificant (See WAC 173-401-530). For storage tanks with a capacity between 20,000 and 100,000 gallons, the fee is \$500. For tanks with a capacity greater than 100,000 gallons, the fee is \$700.

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### **Are there ways to reduce fees?**

**Small Businesses:** Ecology may reduce new source review fees for small businesses to 50 percent of the estimated new source review fee or \$250, whichever is greater. Where a source demonstrates extreme hardship, the fee may be lowered to \$100.

**Pollution Prevention Measures:** Ecology may reduce new source review fees for an individual source that has implemented approved pollution prevention measures.

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### **When are fees due?**

A person submitting a notice of construction application will be informed of the amount of the fee when the preliminary determination is made to approve or deny the proposed project. Payments are due before the approval order for the project becomes effective.

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### **For more information**

If you are considering constructing a new industrial or commercial source of air emissions or modifying an existing source that is under the direct jurisdiction of Ecology, you can get assistance from any of the following: an Ecology Regional Office Air Quality Program representative, Ecology's Industrial Section, Ecology's Hanford Section or Kennewick Office in the Nuclear Mixed Waste Program, or Ecology's Business Assistance Program.

*If you have special accommodation needs or require this document in alternative format, please call Tami Dahlgren, Air Quality Program, at (360) 407-6830 (voice); or call (360) 407-6006 (TDD only).*